

Unmarketable Parcel Share Sale Facility

Hot Chili Limited (ASX: HCH) (TSXV: HCH) (OTCQX: HHLKF) ("Hot Chili" or "Company") is pleased to announce the establishment of a share sale facility (Facility) for shareholders who hold fully paid ordinary shares on the Australian register of the Company (Shares) valued at less than A\$500 as at 5:00pm (AWST) on Wednesday, 5 April 2023 (Record Date) (Unmarketable Parcel).

This facility is established in accordance with the Company's constitution and the ASX Listing Rules.

Hot Chili appreciates that Unmarketable Parcels can be difficult or expensive to sell, so the Company is offering the Facility to enable eligible shareholders who hold less than A\$500 worth of shares to sell their shares without having to act through a broker or pay brokerage or handling fees. The Company will pay all costs associated with the sale and transfer of shares through the Facility (excluding any tax consequences of the sales, which will be the responsibility of the relevant shareholder).

As at close of market on Record Date, the closing price of the Company's shares on the ASX was A\$1.06. On this basis, an unmarketable parcel is any holding of 471 shares or less.

A Letter and Share Retention Form will be sent out on 14 April 2023 (Despatch Date) to all shareholders holding an Unmarketable Parcel at Record Date.

The Facility, while benefitting small shareholders will also benefit the Company as it is expected to reduce the administration costs associated with maintaining a large number of shareholdings on the company's share register.

Shareholders holding an Unmarketable Parcel who wish to retain their shareholding in the Company need to give the share registry, Computershare Investor Services Pty Limited, written notice by returning the Retention Form by no later than 3:00pm on 25 May 2023 or acquire additional shares prior to that time such that their holdings comprise a marketable parcel, otherwise their shares will be sold through the facility.

Shareholders wishing to take advantage of the Facility and have their Shares sold do not need to take any action.

Hot Chili has mandated Veritas Security Pty Ltd as the broker to facilitate the sale of the Unmarketable Parcels.

Hot Chili will arrange to complete the share sale process of Unmarketable Parcels as soon as practicable after the closing date for the Facility of 25 May 2023 and will forward all sale proceeds to participating shareholders as soon as practicable following the settlement.

The key dates in relation to the facility are set out below:-

EVENT	DATE
Record Date for establishing Unmarketable Parcel holders	Wednesday, 5 April 2023, 5:00pm (AWST)
ASX Announcement Regarding Unmarketable Parcel Sale Facility	Thursday 6 April 2023
Shareholder Letter and Retention Form despatched to Unmarketable Parcel Holders	Friday 14 April 2023
Closing date for receipt of completed Retention Forms	Thursday 25 May 2023 3:00pm (AWST)

Hot Chili Limited reserves the right to change any of the dates referred to in this announcement or to vary, cancel or delay the Facility or the sales of shares at any time before Shares are sold, by making an announcement to the ASX.

The Company does not provide any recommendation or advice as to whether shareholders holding an Unmarketable Parcel should sell or retain their Shares. If you are in doubt about what to do, you should consult your legal, financial or taxation adviser.

If you have any other questions about the operation of the Facility, please contact the Company Secretary on admin@hotchili.net.au or +61 8 9315 9009.

This announcement has been authorised for release by the board.



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